
State Budget Outlook

**Presentation to the
Task Force to Modernize County and Municipal
Revenue Structures**

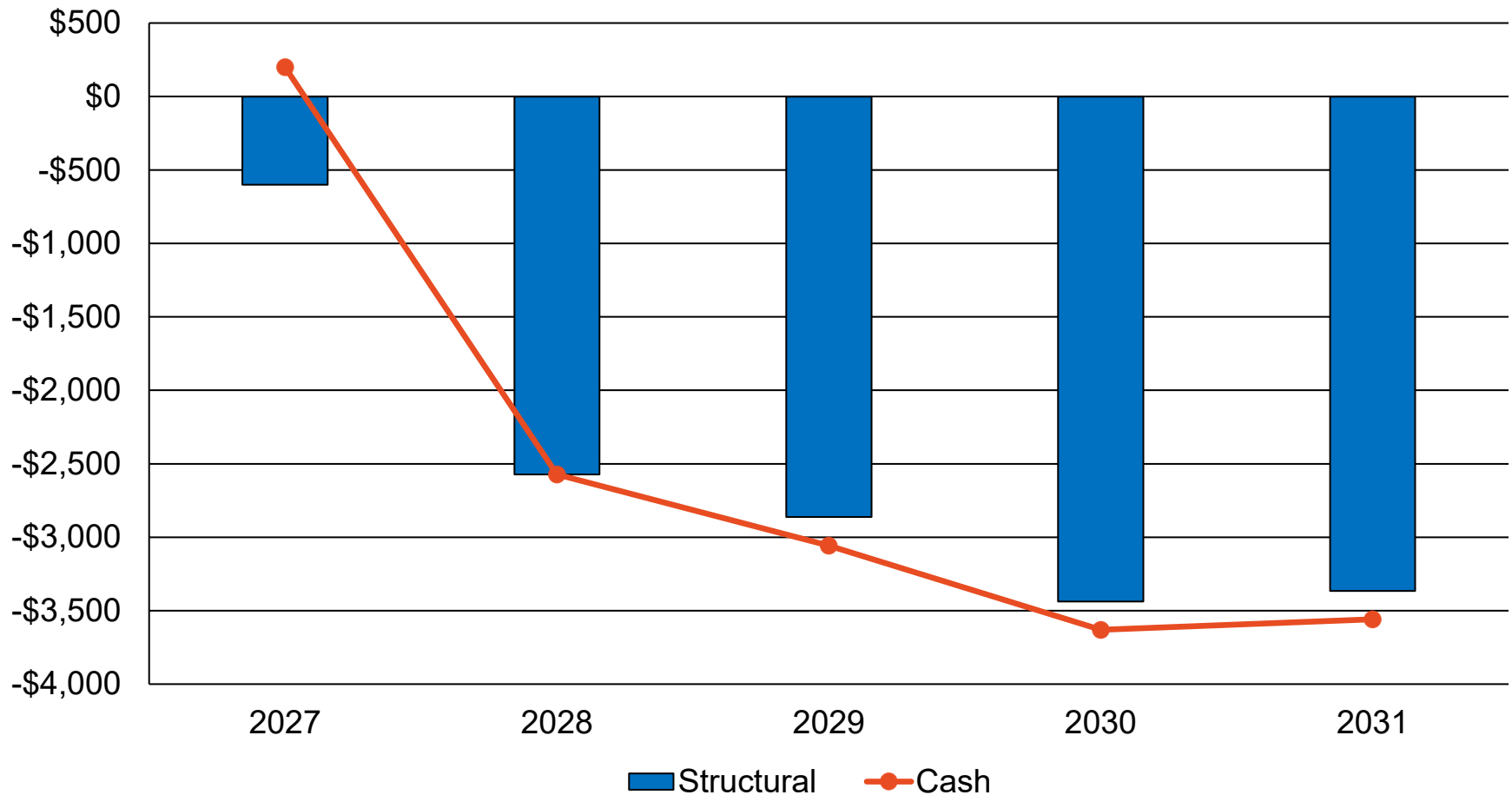


August 31, 2026



Cash and Structural Shortfalls Exceed \$2.5 Billion in Fiscal 2028

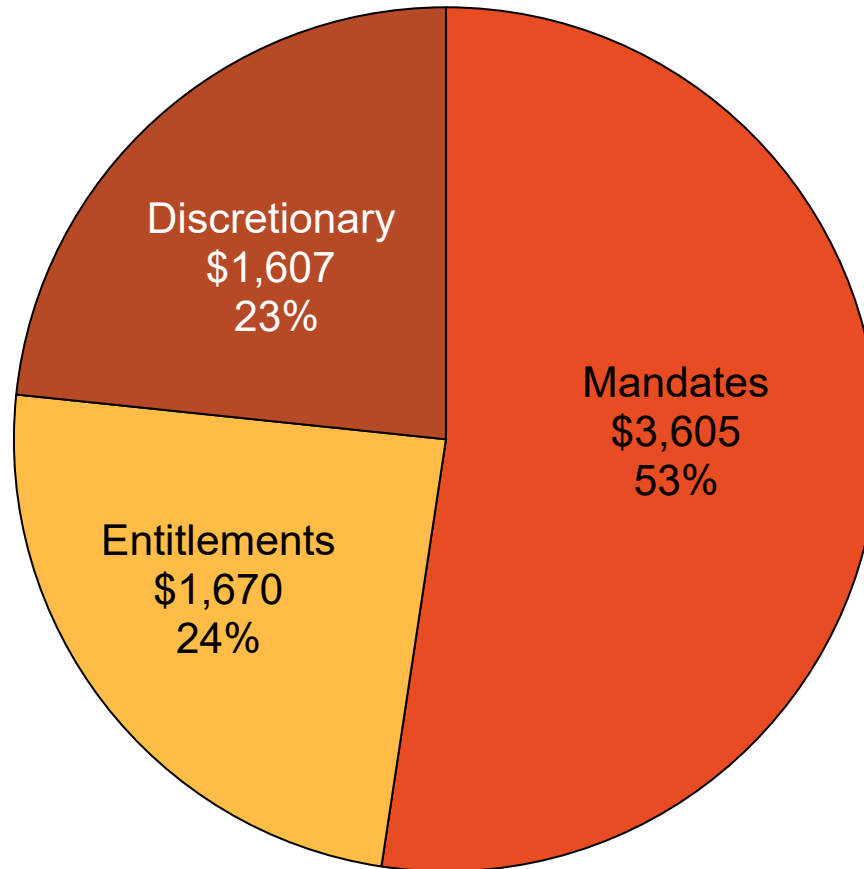
(\$ in Millions)





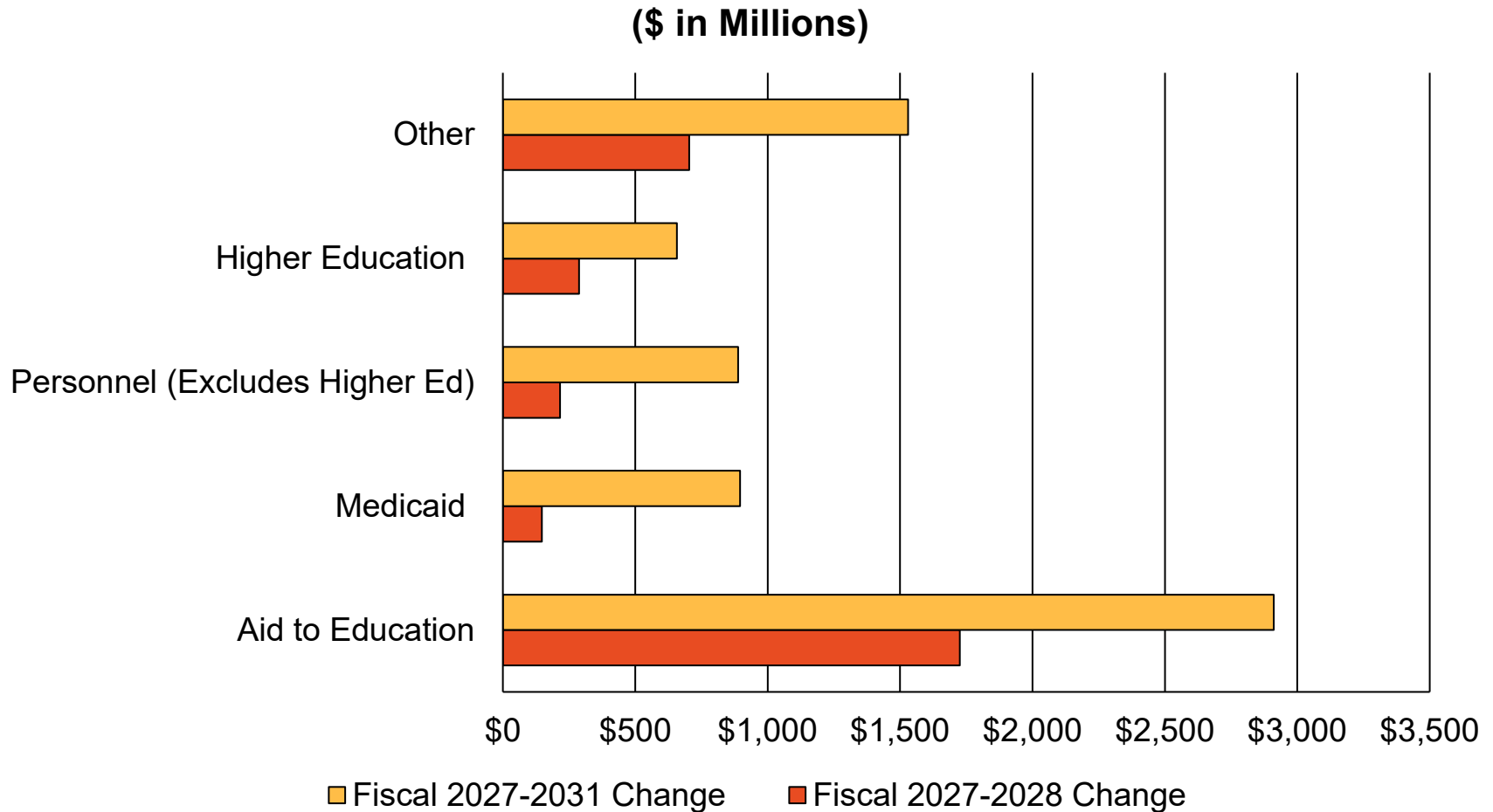
Mandates and Entitlements Account for 78% of Fiscal 2027 to 2031 Spending Growth

(\$ in Millions)





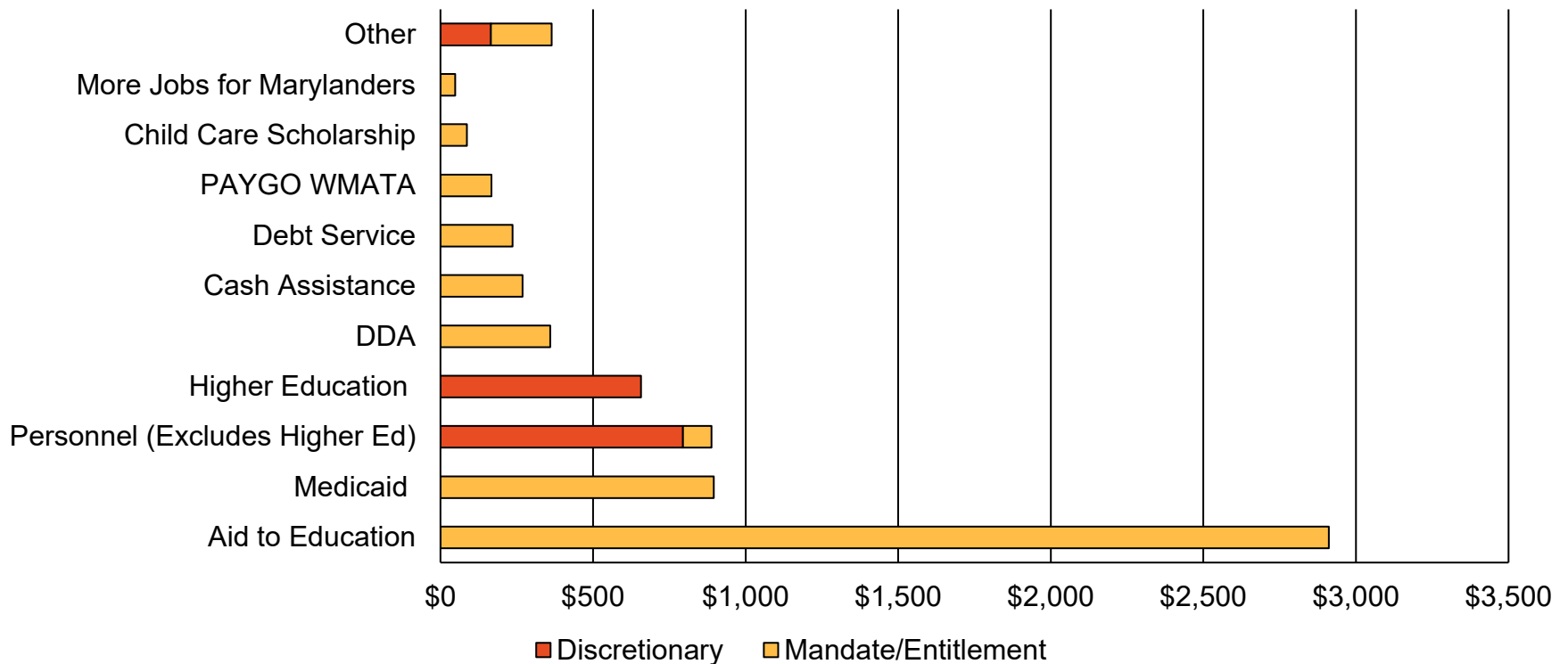
Contributors to General Fund Spending Growth





Detailed Drivers of General Fund Growth Between Fiscal 2027 and 2031

**Fiscal 2031 Spending Projected to Exceed Fiscal 2027 by \$6.9 Billion
(\$ in Millions)**



DDA: Developmental Disabilities Administration

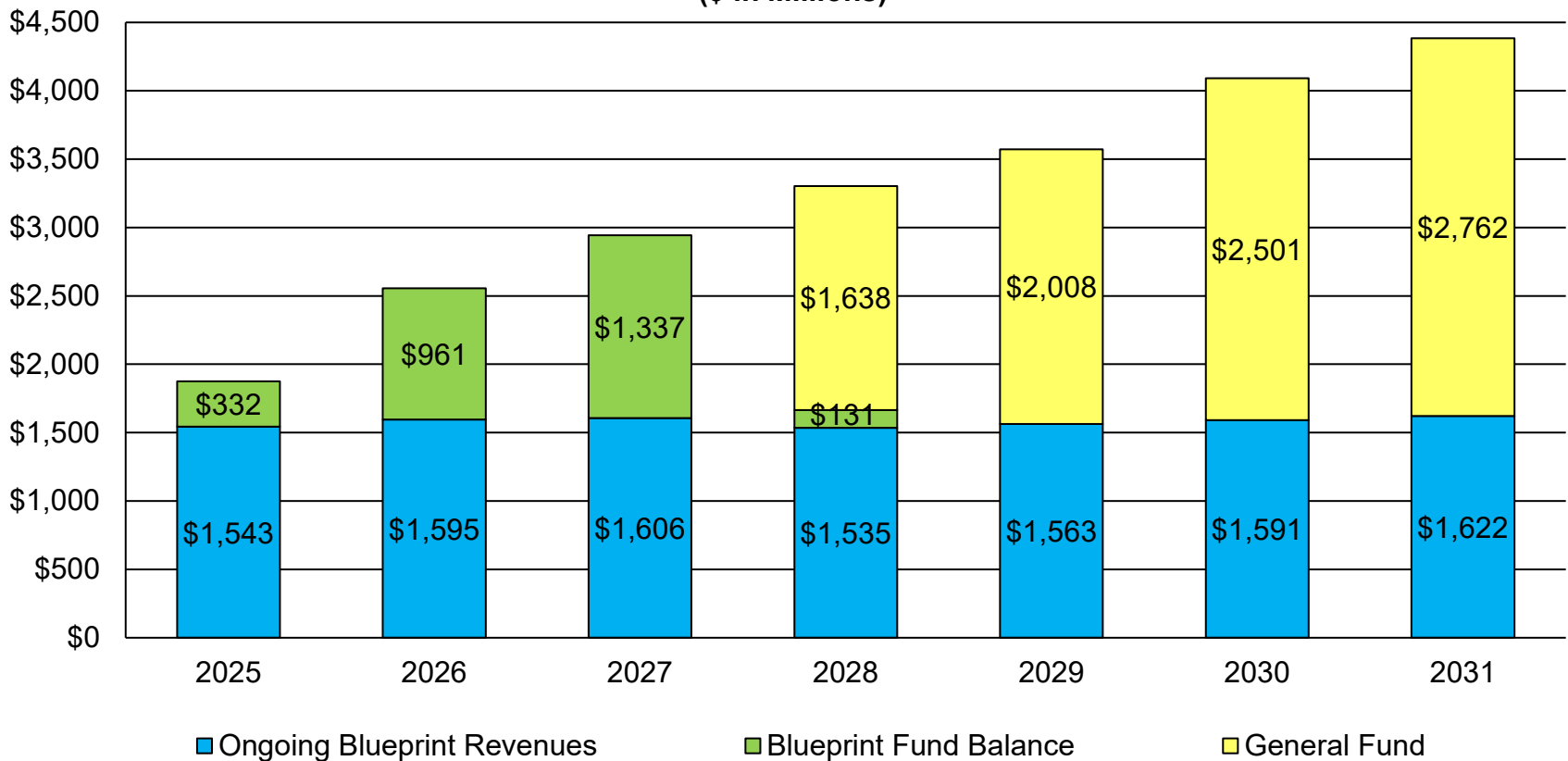
PAYGO: pay-as-you-go

WMATA: Washington Metropolitan Area Transit Authority



Growth in Aid to Education Due in Part to Elimination of Blueprint Balance

Estimated Blueprint Costs and Funding Sources
Fiscal 2025-2031
(\$ in Millions)





Budgetary Considerations for 2027 Session

- Benefit cost share for Supplemental Nutrition Assistance Program (SNAP) expected at 15% of SNAP costs
- Affordability of Blueprint-funded programs
 - Uncertainty regarding enrollment
- Medicaid, Behavioral Health, and Developmental Disabilities cost growth
- Addressing cash and structural shortfalls
 - Mandate relief
 - Revenue adjustments and fund balance transfers
 - Cost shifts